Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending February 6, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Feb. 6/2015	Average	$339.33	$327.50	$302.67	$270.63	$247.58	$229.88	$219.75
Feb. 6/2015	Range	330-358	315-348	290-316	258-285	240-259	223-239	215-227
week/week	Change	-$7.17	-$3.80	$2.67	$4.38	$1.91	$1.05	$3.62
Jan. 30/2015	Average	$346.50	$331.30	$300.00	$266.25	$245.67	$228.83	$216.13
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Feb. 6/2015	Average	$303.63	$295.00	$270.00	$248.00	$227.38	$208.50	
Feb. 6/2015	Range	285-315	282-308	258-285	238-257	219-235	204-216	
week/week	Change	$9.88	$0.25	$3.08	$3.10	$1.08	-$5.33	
Jan. 30/2015	Average	$293.75	$294.75	$266.92	$244.90	$226.30	$213.83	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficicent data.

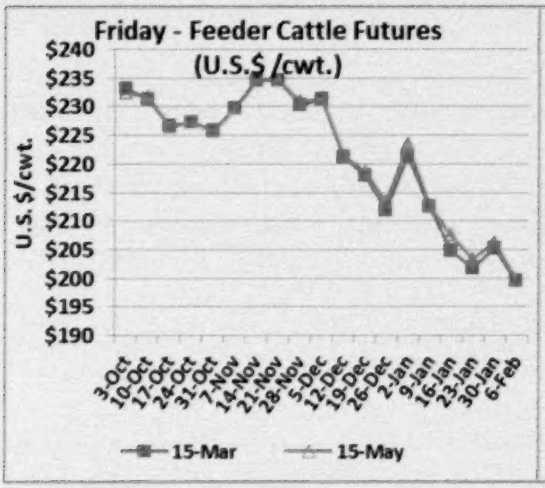
Canfax reported that a total of 12,956 head of cattle were sold in Saskatchewan this week, down from 15,373 head marketed the previous week. Saskatchewan feeder cattle prices over the week were mixed but mostly higher in the different weight categories.

Saskatchewan feeder steer prices over the week were mixed with prices lower in the light weight categories below 500 lb., and higher in weight categories above 500 lb. Prices ranged from $7.17 per cwt lower to $4.38 per cwt higher. Prices in the 300-400 lb. weight category had the greatest loss declining $7.17 per cwt, while the greatest increase came from the 600-700 lb. weight category which increased $4.38 per lb.

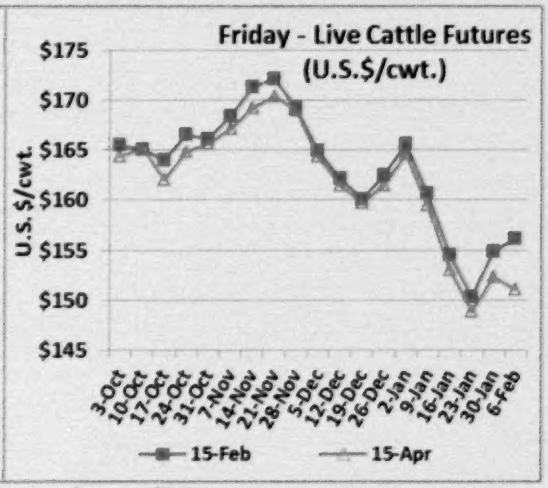
Feeder heifer prices were mostly higher over the week. Feeder heifer prices ranged from $5.33 per cwt lower to $9.88 per cwt higher. The 800+ lb. feeder heifer weight category had only loss declining $5.33 per cwt. The 300-400 lb. feeder heifer weight category had the biggest gain over the week increasing $9.88 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the February 5, 2015, U.S. feeder cattle index at US$210.65 per cwt was calculated at -$16.23 per cwt (US$210.65/0.7985 -$247.58), a basis narrowing of $7.19 per cwt from -$23.42 per cwt on January 29, 2015. The U.S. feeder cattle index has moved lower over the last few weeks after the early January highs.

Feeder cattle futures prices were significantly lower early in the week before rebounding strong on Friday. Prices still were lower, week-over-week. Daily price volatility continued to be high early in the week with nearby contracts fluctuating (high-to-low) US$4 to US$5 per cwt. The March contract declined $5.75 per cwt to settle Friday at US$199.450 per cwt, while the May contract declined US$6.450 per cwt over the week to settle Friday at US$199.675 per cwt.



Source: CME



Source: CME

Live cattle futures prices were down significantly Monday, then mixed over the week, and increased significantly on Friday. Price volatility was higher early in the week with nearby daily contracts fluctuating over US$3 per cwt (high-to-low). Prices overall were mixed, week-over-week. The February contract increased US$1.225 per cwt over the week to settle Friday at US$156.075 per cwt, while the April 2015 contract declined US$1.250 per cwt to settle Friday at US$151.025 per cwt.

Iowa cash corn prices rebounded over the week increasing 16 cents per bushel over the week to end Friday at US$3.64 per bushel. Daily U.S. corn futures prices also rebounded over the week increasing, week-over-week. The March contract increased almost 16 cents to settle Friday at US$3.85¾ per bushel, while the May 2015 corn futures contract increased over 15 cents to settle Friday at $3.94 per bushel.

Fed and Non-fed Cattle

	February 6	January 30	Change over Week
Steers (Alberta)			
Live	187.06	185.06	+2.00
Rail	311.00-312.75	309.75-310.50	+1.25/+2.25
Cows (Alberta)			
D1,2 Live	135.92	133.88	+2.04
D3 Live	119.63	119.00	+0.63
Rail	257-262	256-261	+1.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for live weight, non-fed cattle in Alberta were higher over the week with D1,2 slaughter cows increasing $2.04 per cwt to average $135.92 per cwt, establishing a new all-time high record price over the week. The price of D3 slaughter cows increased $0.63 per cwt to average $119.63 per cwt.

Cash fed cattle prices in Western Canada for Alberta fed steers were reported to average $187.06 per cwt, up $2.00 per cwt from $185.06 per cwt the previous week. Fed cattle prices last established record prices averaging $191.05 per cwt during the week of January 16, 2015.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$160.28 per cwt, up US$0.92 per cwt from US$159.36 per cwt from the previous week, and up US$19.66 from US$140.62 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$254.63 per cwt, up US$2.64 per cwt from US$251.99 per cwt the previous week, and up US$29.67 per cwt from US$224.96 per cwt the same week a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending February 6 averaged US$241.75 per cwt, down US$4.94 per cwt from US$246.69 per cwt from the previous week, but up 11.8 per cent from US$216.30 per cwt the same week a year ago.

U.S. beef production for the week ending February 6, totaled 442.5 million lb., down 3.9 per cent from 460.5 million lb. the previous week, and down 2.2 from 452.4 million lb. the same week a year ago. Cattle slaughter numbers were 544,000 head, down 3.4 per cent from 563,000 head the previous week, and down 3.4 per cent from 563,000 head the same week a year ago.

United States exports of beef plus beef variety meat exports in December 2014 were US$643.2 million dollars, up 2.6 per cent from US$626.7 million dollars in November 2014, and up 16.7 per cent from December 2013. By quantity, U.S. exports were 100,270 metric tons in December 2014, up 4.1 per cent from 96,348 metric tons in November 2014, but down 2.0 per cent from 102,265 metric tons in December 2013. U.S. beef plus beef variety meat exports for 2014 totaled US$7.135 billion dollars, up 15.9 per cent from 2013. By quantity, 2014 U.S. beef plus variety meat exports totaled 1,196,752 metric tons, up 2.0 per cent from 1,172,792 metric tons in 2013. In 2014 the U.S. has had large beef export increases to Mexico, Hong Kong/China, and Korea. (Source: U.S. Meat Export Federation)

The Western Livestock Price Insurance Calf Program became available this week. The Western Livestock Price Insurance Program (WLPIP) is a tool that provides price coverage including the basis and exchange rate. The WLPIP offers producers a floor price while leaving the upside open in the cash market. With exchange rates and basis levels covered in the insurance program it is an easy and manageable tool producers can use. Coverage levels over the week ranged from a high of $250 per cwt ($1,500/600 lb. steer) to a low of $226 per cwt ($1,356/600 lb. steer). Premium costs for a 600 lb. steer ranged from just under $15 to a high of just over $54. http://www.wlpip.ca/

Friday Price Information

Product		This Week (February 6)	Week of: (January 30)
Canadian Dollar (closing rate US$)		.7985	.7867
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		210.65	211.69
Seven-day Weighted Average FC Index Wt. (lb.)		753	753
Live Fed 5-area Steer Price (US$ per cwt)		160.28	159.36
Feed Grains			
Barley	Lethbridge ($/tonne)	199.00	199.00
	($ per bu.)	4.33	4.33
Corn	Iowa State Average (CDN$/tonne)*	179.46	174.15
	(US$ per bu.) (current Wed. price)	3.64	3.48
	Omaha, NE (CDN$/tonne)*	184.39	178.65
	(US$ per bu.)	3.74	3.57
Futures			
	March Corn (US$ per bu.)	3.85¾	3.70
	May Corn (US$ per bu.)	3.94	3.78½
	February Live Cattle (US$ per cwt)	156.075	154.850
	April Live Cattle (US$ per cwt)	151.025	152.275
	March Feeder Cattle (US$ per cwt)	199.450	205.200
	May Feeder Cattle (US$ per cwt)	199.675	206.125

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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